DEPARTMENT FOR SOCIAL INSURANCE
"An Equal Opportunity Employer M/F/D"

KASES Network Memo No. 24

TO: Staff, Division of Child Support Enforcement
           All IV-D Agents

FROM: Steven L. Blank, Director
           Division of Child Support Enforcement

DATE: February 18, 1994

SUBJECT: Creation of Spousal Support Cases and Posting Spousal
           Support Collections

The information provided in this memo explains when and how a
spousal support case is created for a new payee conversion
referral or application when the support order includes "support
and maintenance," spousal support, or alimony.

The information in this memo also explains how collections are
posted when a child support case has a related spousal support
case.

Spousal support cases are created by area office caseworkers and
contracting officials when spousal support is included in AFDC
and non-AFDC support order cases. Spousal support collections
are posted by the Division of Child Support Enforcement's central
office, by area offices, and by some contracting officials.

Title IV-D of the Social Security Act was amended effective
October 1, 1985, to require the collection of spousal support in
any case having an assignment of rights as defined in 45 Code of
Federal Regulations (CFR) Section (§) 301.1. **The regulation
requiring the collection of spousal support for AFDC cases is
found at 45 CFR § 302.31(a)(2) and applies when the child and
spouse or ex-spouse live in the same household and CHR is
collecting support for the child.** An amendment to Title IV-D
permits the interception of federal income tax refunds for
past-due spousal support for AFDC clients. AFDC clients assign
all support rights to CHR, and this assignment includes spousal
support.

Spousal support is collected for non-AFDC cases because 45 CFR §
302.33 requires that all IV-D services be provided for non-AFDC
cases. Non-AFDC clients authorize DCSE to collect spousal
support by signing the Authority to Collect Support (Form CS-140).

The Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508) permits the interception of federal tax refunds for past-due spousal support for non-AFDC cases. The child and spouse or ex-spouse must live in the same household and the child and spousal support must be in the same order. This law has been codified under 45 CFR § 301.1 and 45 CFR § 303.72 and became effective August 4, 1993.

Creating Spousal Support Cases

On the Child Support (CS) System, spousal support is identified by the following enforcement codes:

- 22 (Spousal Support) and
- 88 (No Spousal Support).

On **KASES,** the wording of the order containing spousal support determines if spousal support is treated as part of the new child support case, or is treated separately in a related spousal support case. If the order describes spousal support as "maintenance" and combines "maintenance" with child support, **only one case** is needed on KASES. For example, child support and spousal support are combined into one new child support case if the order states: "Support and maintenance in the amount of $500.00 a month are ordered."

Spousal support is identified by the Spousal Support Indicator field found on the Display Support Orders screen (ASEFOB). The spousal support indicator defaults to "N" when a case is created and can be changed on the Create Court Order screen (ASEFOD). The spousal support indicator remains "N" for a "support and maintenance" case.

When the court order specifically refers to "spousal support" or "alimony," **a separate spousal support case is created** and the IV-D numbers of the new child support and spousal support cases are cross-referenced. For example, a separate spousal support case is created if the court order states: **"Child support in the amount $300.00 a month and spousal support in the amount of $200.00 a month are ordered."** The Spousal Support Indicator field on the Create Court Order screen (ASEFOD) in the related spousal support case is changed to "Y." The spousal support indicator is left "N" in the child support case.

When the court order specifically refers to "spousal support" or "alimony" and child support is combined with spousal support in a lump sum obligation amount, the obligation amount must be divided before a separate spousal support case can be created. For example, the case is referred to the appropriate contracting official when the court order states: **"Child support and spousal support in the amount of $500.00 are ordered."**

In this instance, only a child support case is created. The spousal support case is not created until the amended order separating child and spousal support is received. Spousal support arrearages are calculated only from the effective date of the amended order. For example, if the amended order is effective March 1, 1994, spousal support arrearages (if any) would accumulate beginning with that date. It is not necessary to recalculate amounts which may have accrued in the child support case prior to the effective date of the amended order.

The IV-D case type in the spousal support case must be the same as the IV-D case type in the related child support case. For example, if the IV-D case type in the related child support case is AFDC, then the IV-D case type in the spousal support case must be AFDC. Also, if the related child support case has an AFDCA (AFDC Arrears) subaccount, the arrearage extension in the spousal support case must be AFDCA.

If the IV-D case type in the child support case is Non-Public Assistance (NPA), then the IV-D case type in the spousal support case must be NPA. If the related child support case has an NPA1A (NPA Arrears) subaccount, the arrearage extension in the spousal support case is NPA1A. Spousal support arrearages accumulate under either AFDCA or NPA1A for as long as the client receives AFDC or non-AFDC services.

After creating the child support case, the caseworker does the following on the Create Court Order screen (ASEFOD) when creating the spousal support case:

- enters all required information on the Create Court Order screen (ASEFOD);
- changes the spousal support indicator on the Create Court Order screen (ASEFOD) to "Y";
- enters payor instructions on the Payor Instructions* portion of the Create Court Order screen (ASEFOD), and enters the child support case IV-D number as a cross-reference to the spousal support case; and
- presses PF5-Notes Process to bring up the Create Court Order Notes screen (ASEUNA) and cross-references the child case.

* Payor instructions must specify the spousal support obligation and payment frequency.

After cross-referencing the child and spousal support cases on the Create Court Order Notes screen (ASEUNA), the caseworker presses PF9-Confirm. When the Create Court Order screen (ASEFOD) again displays, the caseworker presses PF6-Order Extent. This causes the Update/Inquire Extension screen (ASEFOE) to display.

The caseworker does the following on the Update/Inquire Extension screen (ASEFOE):

- presses PF6-Add Extension to cause the Select Extension screen (ASEFOF) to display,
- selects CSUP from the Select Extension screen (ASEFOF) and presses enter, and
- enters the spousal support obligation amount in the Frequency Amount field on the Create Order Extension screen (ASEFOG) and any other necessary information and presses PF9-Confirm.

The federal and state tax refund intercept indicators default to "Y" when the arrearage subaccount in the spousal support case is created. <u>DCSE cannot certify spousal support for a non-AFDC case unless both child and spousal support are included in the same order.</u> Therefore the federal tax refund indicator in the spousal support case must be set to "N" when child and spousal support are in <u>separate orders</u>.

The related child support and spousal support cases are cross-referenced using the cases' IV-D numbers. However, the spousal support indicator on the Display Support Orders screen (ASEFOB) in the related child support case remains "N."

For cases with orders filed in Fayette, Boone, Gallatin, Grant, Kenton, and Campbell Counties, the caseworker places a hold on the case. A MAIL message is sent to the Distribution Section (DS) in the Accounting Branch (AB) specifying the amount to be allocated to the child support case and to the spousal support case. The amount needing to be allocated to each case is determined by a formula.

Area office caseworkers are to follow instructions given for the formula in the Child Support Manual of Procedures, Subsection 40.150, Posting Nonnegotiables. Contracting official caseworkers are to follow instructions given in the Kentucky Prosecutors' Child Support Enforcement Handbook, Section 30.000, KASES Posting and Distribution.

Because the child support case is created first, the caseworker returns to the child support case and completes the following tasks after creating the related spousal support case:

- cross-references the IV-D number of the newly created spousal support case and enters payor instructions* on the Payor Instructions portion of the Update Court Order screen (ASEFOJ), and

* Payor instructions must specify the spousal support obligation and payment frequency.

- presses PF5-Notes Process which causes the Create Court
  Order Notes screen (ASEUNA) to appear and cross-references
  the spousal support case in notes.

Spousal Support Posting Procedures

**When posting a payment for both the child support and spousal
support cases,** posting staff review the payor instructions found
on the Post Payments to Payors screen (ASEFPC).

Posting staff override payments received for the child support
case to both the child support and related spousal support cases.

**JEFFERSON COUNTY DCSE AND CONTRACTING OFFICIAL STAFF ARE TO SAVE
AND FILE THIS MEMO FOR FUTURE REFERENCE.**

Retention: Until Superseded

Inquiries: DCSE Staff - Supervisors
            IV-D Agents - Compliance Analysts